

MEMO TO: City Council

FROM: Rosemarie Ives, Mayor

DATE: June 3, 2003

SUBJECT: **APPROVAL FOR EXTENDING THE TERM OF THE REDMOND-BELLEVUE, ET AL, INTERLOCAL AGREEMENT ESTABLISHING THE WASHINGTON CITY AND COUNTY PIPELINE CONSORTIUM**

I. RECOMMENDED ACTION

Approve Amendment No. 2 extending the term of the Interlocal Agreement establishing the Washington City and County Pipeline Consortium, and authorize the Mayor to sign the agreement.

II. DEPARTMENT CONTACT PERSONS

David Rhodes, Director of Public Works	556-2705
Bill Campbell, City Engineer/Assistant Public Works Director	556-2733

III. DESCRIPTION

A. Background:

The Washington City and County Pipeline Safety Consortium was established by Interlocal Agreement in the year 2000 in response to the devastating explosion of the Olympic pipeline in Bellingham. The current Consortium membership includes: Auburn, Bellevue, Bellingham, Bothell, Kent, Redmond, Renton, SeaTac, Seattle, Tumwater, Woodinville, Clark County and Thurston County.

The City of Bellevue is serving as the Administrator for the Consortium, and manages the funds, administers the contracts, and coordinates the regular monthly meetings.

The Interlocal Agreement establishing the Consortium provided for the Consortium to continue in effect for at least two (2) years from its creation in June, 2000. Paragraph 3.G on the Interlocal Agreement provides that additional

renewals may be approved by agreement of the principals. Council approved extending Redmond's participation for an additional year on July 2, 2002.

The goals established for the Consortium include:

- Provide a unified voice for member Cities and Counties on issues related pipeline safety;
- Jointly fund independent expert analysis and monitoring of the Olympic Pipeline Safety Action Plan and its implementation;
- Jointly fund advocacy and outreach on pipeline safety issues;
- Jointly fund participation in and comment on federal and state legislation;
- Work with the state on Washington Utilities and Transportation Commission (WUTC) pipeline safety activities;
- Other goals as defined by the membership.

In its brief three year existence the accomplishments of the Consortium have been both numerous and significant. They include:

- Development of a more positive and productive relationship with the Olympic Pipe Line Company for member jurisdictions;
- Retaining the services of Rick Kuprewicz, President of Accufacts, Inc and Robert J. Eiber, Pipeline Consultant. Both are nationally recognized experts on pipeline safety, operations and management;
- Commenting on state legislation establishing the WUTC Office of Pipeline Safety;
- Developing a positive and productive working relationship with the WUTC Office of Pipeline Safety;
- Drafting a model Pipeline Franchise Ordinance, in cooperation with the Municipal Research Services Center (MRSC), and making that model franchise available to all jurisdictions through the MRSC website;
- Commenting on federal pipeline safety legislation and federal Office of Pipeline Safety rulemakings regarding pipeline safety;
- Producing a significant study titled the "Overview Assessment of the 16 Inch Diameter Olympic Pipeline Integrity" with similar studies now underway for the 20 inch Olympic pipeline and both the 14 inch and 12 inch spurs that are present in member jurisdictions;
- Participating in the federal General Accounting Office audit of the federal Office of Pipeline Safety;
- Participating in the Washington State Joint Legislative Audit and Review Committee audit of the WUTC Office of Pipeline Safety.

There remain a number of pending pipeline safety activities and issues that are important for the Consortium to address and participate in, including:

- The pipeline integrity assessments that are already underway for the 20 inch Olympic pipeline and both the 14 inch and 12 inch spurs;
- State legislation re-authorizing the WUTC Office of Pipeline Safety;
- Pending federal pipeline safety legislation;
- Pipeline franchise negotiations in a number of jurisdictions;
- Assessing the impact of the recent bankruptcy declaration of Olympic Pipeline.

Recently, the WUTC Office of Pipeline Safety awarded the Consortium a \$95,000 grant to fund pipeline safety activities in the State of Washington. A part-time employee has been hired by Bellevue to coordinate the Consortium activities funded by the grant.

IV. IMPACT

A. Service Delivery:

This project continues Redmond's participation in the Consortium to take a unified approach in addressing pipeline safety issues with particular emphasis on the operation of Olympic Pipe Line's system. This unified approach is much more effective when dealing with Olympic Pipe Line.

B. Fiscal:

The consortium will be funded by the \$95,000 grant from WUTC through December 31, 2004.

V. ALTERNATIVES

Not approve the agreement. This will require Redmond to individually hire a consultant or team of consultants to address issues and concerns discussed above.

VI. TIME CONSTRAINTS

The original agreement expired on June 5, 2002, with the subsequent extension to June 5, 2003. This amendment extends the consortium interlocal agreement to December 31, 2004.

VII. LIST OF ATTACHMENTS

- A. Vicinity Map
- B. Amendment No. 2 to Interlocal Agreement
- C. Amendment No. 1 to Interlocal Agreement
- D. Interlocal Agreement Establishing the Washington City and County Pipeline Consortium

S/S

David Rhodes, Director of Public Works

Date

Approved for Council Agenda

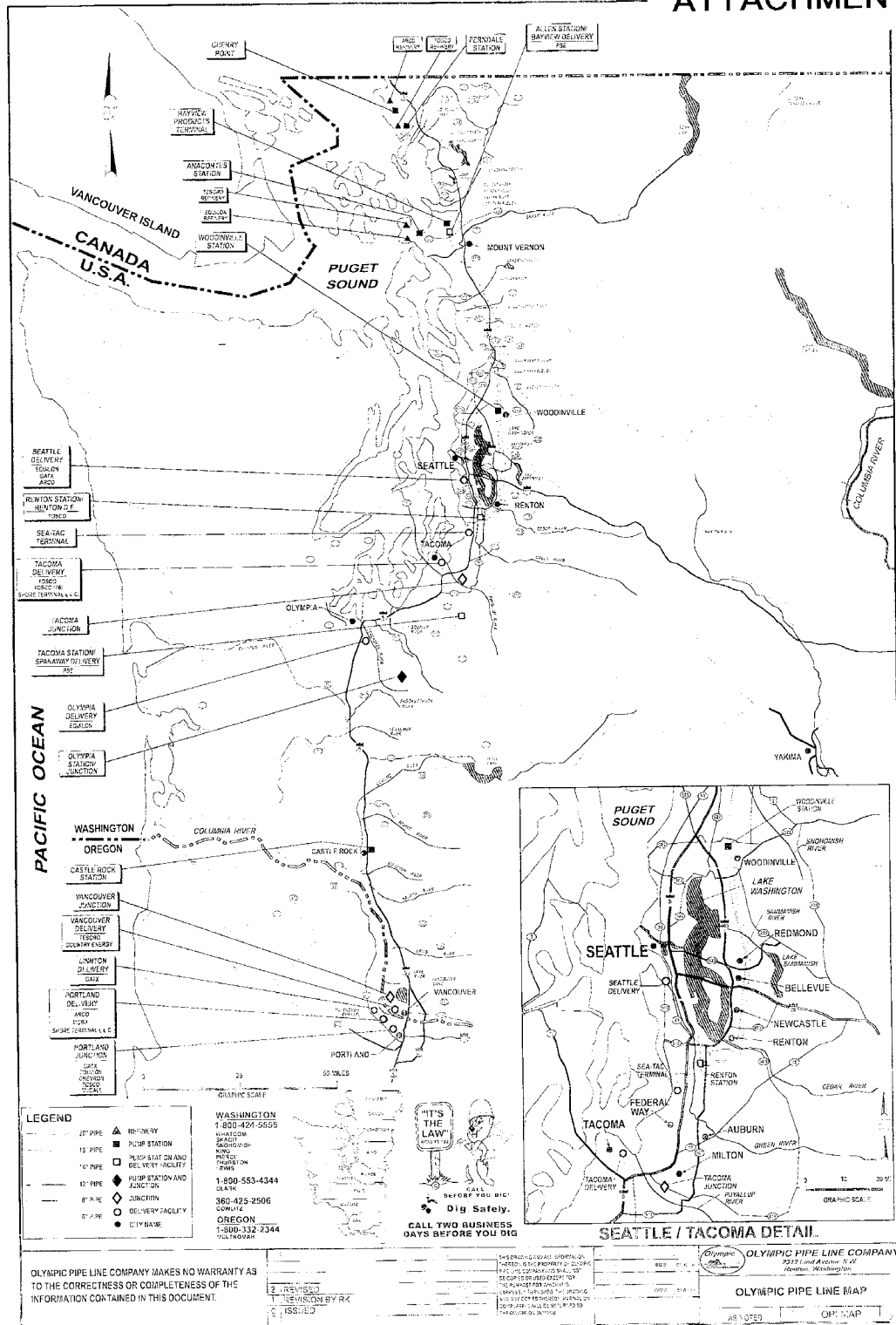
S/S

Rosemarie Ives, Mayor

Date

ATTACHMENT A

ATTACHMENT A



Amendment 2 to Interlocal Agreement Establishing the Washington City and County Pipeline Safety Consortium

The undersigned parties to the Interlocal Agreement Establishing the Washington City and County Pipeline Consortium (the "Agreement") agree as follows:

- 1. In accordance with section 3.G of the Agreement, the duration of the Agreement is extended until December 31, 2004.
- 2. The Consortium will be funded in the current year with a grant from the Washington Utilities and Transportation Commission and will require no additional individual jurisdiction contribution.
- 3. No other provision of the Agreement is affected by the Amendment.

IN WITNESS WHEREOF, this Amendment No. 2 has been executed and affirms and ratifies participation in past consortium activities and for the next year by each party on the date set forth below.

CITY OF REDMOND

Approved as to form:

Date: _____

Date: _____

**Amendment 1 to Interlocal Agreement Establishing the Washington City and County
Pipeline Safety Consortium**

The undersigned parties to the Interlocal Agreement Establishing the Washington City and County Pipeline Consortium (the "Agreement") agree as follows:

1. In accordance with section 3.G of the Agreement, the duration of the Agreement is extended by one year, until June 5, 2003.
2. No other provision of the Agreement is affected by the Amendment

IN WITNESS WHEREOF, this Amendment No. has been executed by each party on the date set forth below.

CITY OF BELLEVUE

Approved as to form:

Connie Marshall
Mayor

Richard Gidley
Assistant City Attorney

Date: _____

Date _____

CITY OF BELLINGHAM

Approved as to form

Date: _____

Date: _____

**PARTIALLY
EXECUTED
COPY**

CITY OF BOTHELL

Approved as to form

Date: _____

Date: _____

CLARK COUNTY

Approved as to form:

Date: _____

CITY OF KENT

Approved as to form:

Date: _____

Date: _____

CITY OF REDMOND

Approved as to form:

Rosemarie M. Doe

James E. Hansen
CITY ATTORNEY

Date: 1/14/03

Date: 1/9/03

CITY OF RENTON

Approved as to form:

Date: _____

Date: _____

CITY OF SEA TAC

Approved as to form:

Date: _____

Date: _____

CITY OF SEATTLE

Approved as to form:

Date: _____

Date: _____

THURSTON COUNTY

Approved as to form:

Date: _____

Date: _____

CITY OF TUMWATER

Approved as to form

Date _____

Date: _____

CITY OF WOODINVILLE

Approved as to form

Date: _____

Date: _____

**EXECUTED
COPY**

**INTERLOCAL AGREEMENT ESTABLISHING THE
WASHINGTON CITY AND COUNTY PIPELINE SAFETY CONSORTIUM**

THIS AGREEMENT is entered into by and between the undersigned cities and counties. This Agreement is made pursuant to the Interlocal Cooperation Act, Chapter 39.34 RCW, and has been authorized by the legislative body of each jurisdiction.

WHEREAS, concern about pipeline safety has been expressed by the member cities and counties; and

WHEREAS, Cities and Counties along the Olympic Pipeline corridor have a common goal of ensuring the safety of their communities; and

WHEREAS, Cities and Counties seek independent, expert third party assessments of the condition of the Olympic Pipeline and its potential hazards; and

WHEREAS, Cities and Counties desire legal analysis of the pending pipeline safety legislation at the state and federal level and assistance in developing a model franchise;

WHEREAS, Cities and Counties desire expert third party analysis of the procedures required to maximize the safety of the pipeline; and

WHEREAS, Cities and Counties desire a unified voice relating to pipeline safety issues where Olympic Pipeline Facilities are located; now, therefore,

The City and County signatories agree as follows:

Establishment of the Washington City and County Pipeline Safety Consortium. There is hereby created a city and county consortium hereinafter called the Washington City and County Pipeline Safety Consortium (the Consortium). The parties hereto each hereby task the Consortium with the responsibility for achieving the following goals:

1. Provide a coordinated response for member Cities and Counties on certain issues related to fuel pipeline safety in general and the activities of Olympic Pipeline Company in particular;
2. Obtain expert independent analysis and monitoring of the Olympic Pipeline Corridor Safety Action Plan so as to ensure it provides the degree of safeguards and security that our communities demand and deserve;
3. Identify deficiencies in Olympic Pipeline's Pipeline Corridor Safety Action Plan;
4. Identify steps Olympic Pipeline should take before re-starting the flow of product through its pipeline;
5. Provide advocacy and public relations services on behalf of cities and counties;

6. Monitor franchisee compliance in jurisdictions along pipeline corridors;
7. Coordinate signage and activity within pipeline corridor right of ways;
8. Analyze and provide comment on federal and state legislative efforts with regard to pipeline safety;
9. Work cooperatively with other groups and governments mutually interested in pipeline safety;
10. Work directly with the State of Washington and any state task force established to examine pipeline safety;
11. Work to meet other goals as defined by the membership.

1. Definitions.

A. Principal. A Principal is a City or County which has accepted the terms of, and is a party to, this Interlocal Agreement and has paid its share of the costs of the Consortium. The initial Principals to this Agreement are the undersigned cities and counties. Principals will receive services as offered by the Consortium according to such terms and conditions as may be established.

B. General Membership. The General Membership shall consist of all the voting representatives of the Principals.

C. Voting Representatives. Each Principal will designate one representative, and one alternate representative to vote on issues before the General Membership.

D. Alternate Representatives. Each Principal shall be entitled to designate one alternate representative who shall serve on behalf of the voting representative during his or her absence or inability to serve.

E. Administrator. The City of Bellevue shall be designated as the Consortium's Administrator. Principals shall pay to the City of Bellevue the agreed upon Financial Contribution.

F. Financial Contribution. Each Principal shall make an initial \$5,000 Annual Financial Contribution. Additional Financial Contributions shall be provided in the future on a basis and in an amount agreed by the General Membership. A Principal shall be obligated as to any future Financial Contributions only upon ratification by its respective legislative body. A Principal shall be allowed to withdraw from the Consortium and not incur any additional financial obligation if its legislative body decides against a future Financial Contribution.

G. Executive Board. The Executive Board shall be composed of seven representatives of 7 different Consortium members, appointed by their jurisdictions. The initial slate of Executive Board Members shall include a member from each of the following jurisdictions: The cities of Bellevue, SeaTac, Renton, Redmond, Bellingham, Tumwater, and the county of Thurston. The initial Board shall serve for a period of one year from the effective date of this Agreement. Subsequent Boards shall consist of seven members elected by the General Membership from among the representatives appointed by their respective jurisdictions.

2. Roles

A. General Membership. The General Membership shall approve the budget and have final decision-making authority to approve the final budget and the work plan of the Consortium. The General Membership shall approve the members of the Executive Board.

B. Executive Board.

1.) Chair. The Chair of the Executive Board shall be elected by the members of the Board from the Board membership. The Chair of the Executive Board shall process issues, organize meetings and preside over meetings of the Board, and shall have no other powers than those enumerated here.

2.) Powers of the Executive Board. The Executive Board shall meet as often as it deems necessary and shall have the following powers:

- (a.) To recommend periodic budgets and work plans for the Consortium for approval by the General Membership;
- (b.) To establish policies to carry out the work plan approved by the General Membership;
- (c.) To establish policies for expenditures of budgeted items for the Consortium;
- (d.) To hold regular meetings on such dates and at such places as the Board may designate and call for meetings of the General Membership;
- (e.) To authorize the Administrator to enter into agreements with other federal, state and local agencies, and private entities to receive grants and funds, and other agreements for services.

C. Administrator. City of Bellevue, as Administrator, shall contract for services as necessary to accomplish the purposes of the Consortium under this Agreement, subject to the approval of the Executive Board; establish a special fund or funds as authorized by RCW 39.34.030; collect from the Principals Financial Contributions due to Bellevue as Administrator for the Principals; and reimburse its Principals. In addition, the Administrator will provide for secretarial and other administrative support for the Board as the Board deems necessary. The Administrator shall not be reimbursed for expenditures made prior to the effective date of this Agreement.

3. Other Pertinent Matters

A. Proportionality of Representation/Voting. Each Principal shall be entitled to one vote on all actions required to be approved by the General Membership and each Principal which has a representative on the Executive Board shall be entitled to one vote on all actions required to be approved by the Executive Board.

B. Voting Percentage Requirements. All actions required to be approved by the General Membership or the Executive Board shall require approval of 70% of the vote of those present. Dissenting comments shall be recorded.

C. Quorum. A quorum at any meeting of the General Membership or the Executive Board shall consist of the voting members or Board members (or alternates) who represent a simple majority of the General Membership or Executive Board membership.

D. Additional Principals. The Executive Board may, by vote, accept new Principals who become parties to this Agreement and who have paid the agreed-upon amount as the new Principal's share. The Executive Board may, by vote, accept new Principals to the consortium by approving the proposed new Principal's signed agreement.

E. Finance and Budget.

1.) Acceptance of Funds. The Administrator is hereby authorized to accept all Financial Contributions of the Principals allocated to the Consortium and any federal, state or private grants in order to accomplish the purposes of this Agreement and Chapter 39.34 RCW.

2.) Budget. The Executive Board shall draft a proposed initial budget for the remainder of the current calendar year and present it to the General Membership. Thereafter, the Executive Board shall draft proposed period budgets as it deems appropriate. The General Membership shall review and recommend revisions to the draft budgets as it deems appropriate. The Executive Board shall revise the draft budgets and shall present them for a vote of the General Membership. The budgets are adopted when approved by the General Membership.

3.) Delinquencies. A Principal who is six months delinquent in payment shall be considered to have withdrawn from the Consortium. Withdrawal does not extinguish the obligation to pay for services rendered.

4.) Use Guidelines. The Consortium may use any available funds for any purpose authorized by this Agreement, and included in the work plan adopted by the Consortium. Additional projects and expansion of the scope of work are authorized, for purposes of this Agreement, when approved and funded by all the then current Principals or through any grants provided the Consortium. Consortium funds will not be used to pay for any City or County staff time.

F. Intergovernmental Cooperation. The Consortium shall cooperate in all practical and available ways with local, state and federal government agencies so as to maximize utilization of grant funds and to enhance the effectiveness of operations and to minimize costs.

G. Duration. This Agreement shall continue in effect for at least two years from creation of the Consortium. Additional one-year renewals shall be approved by agreement of the Principals. Any Principal may withdraw from this Agreement by giving 60 days written notice to the Executive Board of its intention to terminate. A Principal shall not be entitled to reimbursement for its financial contributions to the Consortium. A Principal who withdraws shall hold the remaining Principals harmless against any resultant increased costs allocated to them, for a project or contract approved by the General Membership before its withdrawal.

This Agreement shall be effective until terminated as provided herein. This Agreement may be terminated at any time by agreement of Principals holding at least 70% of the vote of all the Principals hereto. Upon termination of this Agreement, any assets acquired during the life of the Agreement or any financial contributions remaining shall be disposed of in the following manner:

- 1.) All property contributed without charge by each Principal shall revert to the contributor;
- 2.) All property purchased after the effective date of this Agreement shall be distributed based on the percentage of the total annual charges assessed by the Executive Board during the period of this Agreement and paid by each Principal;
- 3.) All unexpended or reserved funds shall be distributed to the Principals based on their financial contribution on a pro rata basis.

H. Hold Harmless. Except for acts or omissions which are dishonest, fraudulent, criminal or malicious, any loss or liability resulting from the acts or omissions of the Executive Board, or Administrator while acting within their scope of authority under this Agreement shall be borne by the Consortium. If a claim, demand, or cause of action arises from any other negligent act or failure to act, or intentional wrongful act of one of the Principals or its agents or employees, that Principal shall hold the Consortium and other Principals harmless except to the extent that the harm complained of arises from the negligence or other fault of another Principal; provided, that "Fault" as herein used shall have the same meaning as set forth in RCW 4.22.015.

I. Insurance. The Consortium may obtain and provide insurance for the Executive Board and the Administrator for coverage consistent with the terms of this Agreement.

J. Amendments. This Agreement may be amended by written agreement of the legislative bodies of all the Principals hereto.



K. Severability. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement shall not affect the validity of the remainder of the Agreement.

L. Effective Date. The effective date of this Agreement shall be the date of filing with the appropriate County Auditors, the Secretary of State, and the Clerk of each Principal.

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date set forth below:

CITY OF BELLEVUE

Approved as to Form:

Chuck Mosher
Chuck Mosher
Mayor City of Bellevue

Lori M. Riordan
Lori Riordan
Assistant City Attorney

Date: June 26, 2000

Date: 6/23/00

COUNTY OF KING

Approved as to Form:

Donald D. Rose
Donald D. Rose
City Manager

Wayne D. Tanaka
Wayne D. Tanaka
City Attorney

Date: June 12, 2000

Date: June 12, 2000

CITY OF Woodinville
Attest: Sandra C. Steffler
City Clerk/CME

Approved as to Form:

Date: _____

Date: _____

CITY OF _____

Approved as to Form:

K. Severability. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement shall not affect the validity of the remainder of the Agreement.

L. Effective Date. The effective date of this Agreement shall be the date of filing with the appropriate County Auditors, the Secretary of State, and the Clerk of each Principal.

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date set forth below:

CITY OF BELLEVUE

Approved as to Form:

Chuck Mosher
Mayor

Lori Riordan
Assistant City Attorney

Date: _____

Date: _____

CITY OF BELLINGHAM

Approved as to Form

Mark Asmundson
Mayor

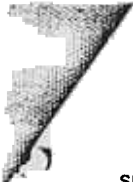
Les E. Krumholz
Office of the City Attorney
City of Bellingham

Date: August 10, 2000

Attest: Christine Weinberg
FOR Finance Director
City of Bellingham

Departmental Approval:

Joan Norvington
City of Bellingham



K. Severability. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement shall not affect the validity of the remainder of the Agreement.

L. Effective Date. The effective date of this Agreement shall be the date of filing with the appropriate County Auditors, the Secretary of State, and the Clerk of each Principal.

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date set forth below:

CITY OF BELLEVUE

Approved as to Form:

Chuck Mosher
Mayor

Lori Riordan
Assistant City Attorney

Date: _____

Date: _____

COUNTY OF _____

Approved as to Form:

Michael W. Noblet
Mayor City of Bothell

Michael Karber
Assistant City Attorney
City of Bothell

Date: SEPTEMBER 18, 2000

Date: _____

CITY OF _____

Approved as to Form:

Date: _____

Date: _____

CITY OF _____

Approved as to Form:

Date: _____

COUNTY OF Clark

Craig A. Ruden

Date: August 22, 2000

COUNTY OF _____

Date: _____

Date: _____

Approved as to Form

E. Benson Potter

Deputy Prosecuting Attorney

Date: August 22, 2000

Approved as to Form

Date: _____

I. Insurance. The Consortium may obtain and provide insurance for the Executive Board and the Administrator for coverage consistent with the terms of this Agreement.

J. Amendments. This Agreement may be amended by written agreement of the legislative bodies of all the Principals hereto.

K. Severability. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement shall not affect the validity of the remainder of the Agreement.

L. Effective Date. The effective date of this Agreement shall be the date of filing with the appropriate County Auditors, the Secretary of State, and the Clerk of each Principal.

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date set forth below:

CITY OF BELLEVUE

Approved as to Form:

Chuck Mosher
Mayor

Lori Riordan
Assistant City Attorney

Date: _____


Date: _____

CITY OF REDMOND

Approved as to Form:



Rosemarie Ives
Mayor



JAMES E. HAWLEY
City Attorney

Date: 6-13-00

Date: 6/13/00

I. Insurance. The Consortium may obtain and provide insurance for the Executive Board and the Administrator for coverage consistent with the terms of this Agreement.

J. Amendments. This Agreement may be amended by written agreement of the legislative bodies of all the Principals hereto.

K. Severability. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement shall not affect the validity of the remainder of the Agreement.

L. Effective Date. The effective date of this Agreement shall be the date of filing with the appropriate County Auditors, the Secretary of State, and the Clerk of each Principal.

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date set forth below:

CITY OF BELLEVUE

Approved as to Form:

Chuck Mosher
Mayor

Lori Riordan
Assistant City Attorney

Date: _____

Date: _____

COUNTY OF _____

Approved as to Form:

Date: 6-27-00

Date: _____

CITY OF Renton

Approved as to Form:

Jesse Tanner
Jesse Tanner, Mayor

Lawrence Warren
Lawrence Warren, City Attorney

I. Insurance. The Consortium may obtain and provide insurance for the Executive Board and the Administrator for coverage consistent with the terms of this Agreement.

J. Amendments. This Agreement may be amended by written agreement of the legislative bodies of all the Principals hereto.

K. Severability. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement shall not affect the validity of the remainder of the Agreement.

L. Effective Date. The effective date of this Agreement shall be the date of filing with the appropriate County Auditors, the Secretary of State, and the Clerk of each Principal.

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date set forth below:

CITY OF BELLEVUE

Approved as to Form:

Chuck Mosher
Mayor

Lori Riordan
Assistant City Attorney

Date: _____

Date: _____

COUNTY OF _____


Approved as to Form:

Date: _____

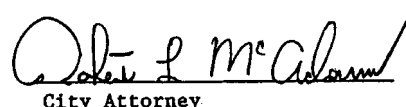
Date: _____

CITY OF SEATAC

Approved as to Form:



Calvin P. Hoggard
City Manager



City Attorney

DATE: 8/14/00

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date set forth below:

CITY OF BELLEVUE

Approved as to Form:

Chuck Mosher
Mayor

Date: June 5, 2000

COUNTY OF THURSTON

Chairman

Commissioner

Commissioner

Date: June 5, 2000

Lori Riordan
Assistant City Attorney

Date: _____

Approved as to Form:

EDWARD G. HOLM
PROSECUTING ATTORNEY

By: Catherine B. Dalim
Deputy Prosecuting Attorney

Date: June 1, 2000

K. Severability. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Agreement shall not affect the validity of the remainder of the Agreement.

L. Effective Date. The effective date of this Agreement shall be the date of filing with the appropriate County Auditors, the Secretary of State, and the Clerk of each Principal.

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date set forth below:

CITY OF BELLEVUE

Approved as to Form:

Chuck Mosher
Mayor

Lori Riordan
Assistant City Attorney

Date: _____

Date: _____

COUNTY OF _____

Approved as to Form:

Date: _____

Date: _____

CITY OF TUMWATER

Approved as to Form:

Ralph C. Osgood
Ralph C. Osgood
Mayor

P. Brock
Patrick L. Brock
City Attorney

Date: June 13, 2000

Date: June 9, 2000

CITY OF _____

Approved as to Form: